

R277-423 received final approval by the Utah State Board of Education on September 8, 2017. R277-423 is published in the October 1, 2017 Utah State Bulletin, subject to a 30-day comment period, with a first possible effective date of November 7, 2017.

R277. Education, Administration.

~~[R277-423. Delivery of Flow Through Money.~~

~~R277-423-1. Definitions.~~

~~—— A. “Bank transfer” means a monthly deposit of money to each LEA’s bank as authorized by the USOE via the State Treasurer and agent bank.~~

~~—— B. “Board” means the Utah State Board of Education.~~

~~—— C. “Flow through money” means state funds appropriated under the state-supported minimum school program and federal funds, both of which are administered by the Board and disbursed to individual LEAs.~~

~~—— D. “LEA” means a local education agency, including local school boards/public school districts, charter schools, and, for purposes of this rule, the Utah Schools for the Deaf and the Blind.~~

~~—— E. “State-supported minimum school program” means school programs for kindergarten, elementary, and high schools which may be operated and maintained for the total of costs set by the Legislature annually.~~

~~—— F. “USOE” means the Utah State Office of Education.~~

~~R277-423-2. Authority and Purpose.~~

~~—— A. This rule is authorized by Article X, Section 3 of the Utah Constitution which vests general control and supervision of public education in the Board and Section 53A-1-401(3) which allows the Board to adopt rules in accordance with its responsibilities.~~

~~—— B. The purpose of this rule is to describe the process whereby flow through money is disbursed to LEAs.~~

~~R277-423-3. Procedures.~~

~~—— A. An estimate of the amount of each LEA’s share of state funds appropriated for the state-supported minimum school program is made by the USOE annually before June 30. The estimate shall indicate, for each LEA, its estimated number of units and the cost of its state-supported minimum school programs. One-twelfth of the LEA’s share of the state funds constitutes monthly payments. The estimates are revised periodically to accurately represent one-twelfth of the LEA’s share of the state funds. A final statement is made with LEAs following the end of the fiscal year.~~

~~—— B. State and federal funds shall be transferred to LEAs by means of bank transfers.~~

~~—— (1) The USOE shall prepare a summary listing funds for each individual program and total funds for each LEA which shall be mailed electronically to each LEA. It shall also prepare a summary listing the designated bank and amount of funds for each LEA on the electronic funds transfer memo for the state designated agent bank and the State Treasurer.~~

~~—— (2) The USOE shall, in a timely manner, complete the necessary accounting work for the transfer of funds and deliver the request to the State Department of Finance. The USOE shall coordinate the letter of credit for federal funds withdrawal for deposit with the State Treasurer in accordance with the cash management agreement with the US Treasury.~~

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~~—— (3) The State Department of Finance shall complete necessary accounting work to have funds authorized for release by the State Treasurer's office.~~

~~—— (4) The State Treasurer's office shall release funds in accordance with the electronic funds transfer memo to the state designated agent bank in time to ensure deposit of funds in each LEA's designated bank by 11:00 a.m. on the last working day of each month.~~

~~—— (5) The state designated agent bank shall deposit funds to each LEA's designated account by 11:00 a.m. on the last working day of each month.~~

~~—— (6) LEAs shall keep bank account transfer information accurate and current to enable the monthly transfers of funds to be completed in a timely manner; all information shall be sent to the USOE audit/finance specialist in the School Finance and Statistics Section at the USOE.~~

~~—— C. When a disruption occurs in the procedure specified in Subsection 3(B), the USOE shall coordinate transfer procedures in a timely manner.~~

~~—— D. The USOE may administer state and federal flow through money for state institutions and private and parochial schools. It prepares and processes vouchers for the funds and forwards warrant requests authorizing the State Treasurer to make payment to the identified recipient.~~

~~R277-423-4. Reports.~~

~~—— An LEA that fails to meet deadlines for submitting to the USOE reports that are necessary to calculate its share of state funds or that fails to meet deadlines for the annual audit report may have its state funds withheld until an acceptable report is filed with the USOE in accordance with R277-484, Data Standards.~~

~~KEY: education finance~~

~~Date of Enactment or Last Substantive Amendment: November 8, 2012~~

~~Notice of Continuation: September 14, 2012~~

~~Authorizing, and Implemented or Interpreted Law: Art X Sec 3; 53A-1-401(3)]~~